

DAILY REPORT

CONTENTS

Latin America

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ARGENTINA

Various Chileans Sentenced, Pardoned, Released	B 1
Officers Sentenced for Spying	B 1
Talks With Chile To Resume	B 1
Foreign Ministry Communique	B 1
Chilean Cartographers Pardoned	B 1
Further on Cartographers	B 2
Chilean Workers Released	B 2
Chilean Envoy Departs Suddenly	B 2
Navy Issues Communique on National Reorganization	B 3
Economic Measures Revealed; Reaction Reported	B 3
Siguat Reveals Measures	B 3
Agriculture Minister Comments	B 4
Businessmen, Experts React	B 5
MID Leader Supports Measures	B 6
Ministers Deny Dissention	B 6
Briefs: Ambassador to Uruguay	B 6

BOLIVIA

Navy Commanders' Meeting Ends; Unity Stressed	C 1
García Meza's Resignation Reportedly Accepted	C 1
Defense Minister Reasserts Unity of Armed Forces	C 1
Foreign Minister on Normalization of Relations	C 2
Drug Charges' Negative Effects	C 2
Relations With U.S., Venezuela	C 2
Civilian Sectors Express Support for García Meza	C 3
MIR Proposes Civilian-Military Convergence	C 3
Exiled Lanza, Officers Travel to Ecuador	C 4
Stopover in Lima	C 4
Col Lanza's News Conference	C 4
Stopover in Bogota	C 5
Arrival in Quito	C 5

CHILE

Security Agents Avert Attack on President Pinochet	E 1
Government Extends State of Siege in Country	E 1
Paper on Foreign Minister's Visit to Washington	E 1
Finance Minister on Return to Andean Pact	E 2

MEXICO

Lopez Portillo Answers Editors' Questions	M 1
Meeting With Reagan	M 1
Devaluation Policy, Economics	M 1
Gasoline, Oil Prices	M 2
Cuban-Mexican Committee Calls for Expanded Trade	M 2

CENTRAL AMERICA

BELIZE

Independence Talks Held Up By Guatemala P 1

EL SALVADOR

Defense Minister: Army Controls Insurrection P 1
 U.S. Urged To Grant Economic, Not Military Aid P 1
 [LA PRENSA GRAFICA 11 Jun]
 Urge on U.S. Aid, International Mediation P 2
 U.S. Aid Prolongs War [Havana] P 2
 Mediation Would End Conflict [Radio Venceremos] P 2
 Reportage on Guerrilla, Army Combat Actions P 4
 Clashes in Tepetitán [LA PRENSA GRAFICA 5 Jun] P 4
 Attack on San Vicente [EL MUNDO 10 Jun] P 4
 Clash in Arcatao P 4
 Occupation of Arcatao Garrison [Havana] P 4
 Chichontepec Siege To Continue P 5
 [LA PRENSA GRAFICA 11 Jun]
 Terrorist Camps Destroyed P 5
 [LA PRENSA GRAFICA 12 Jun]
 Havana Report on Guerrillas P 6
 Four Dead in Ambush P 6
 CEL Employees Attacked P 6

GUATEMALA

Deputy Minister's Brother, Others Found Dead P 7
 Kidnapping of President's Nephew Being Investigated P 7

HONDURAS

Foreign Minister on Joint Nationality, Summit P 7
 Brief: Visa Ban P 7

NICARAGUA

Government, Opposition Begin Forum in Managua P 8
 13 June Sessions P 8
 14 June Dialogue P 10
 CST Defines Stand on Forum on National Problems P 10
 [EL NUEVO DIARIO 7 Jun]
 Commander Wheelock Addresses Sugar Mill Workers P 11
 Accusations Against CIA P 11
 Attacks on Proprietor Class P 12
 Officials Reveal Serious Staple Supply Problem P 14
 Brief: Bridge in Bluefields P 14

GUYANA

President Burnham Condemns Israeli Bombing T 1
 Violations by Venezuelan Air Force Scored T 1

VARIOUS CHILEANS SENTENCED, PARDONED, RELEASED

Officers Sentenced for Spying

PY121703 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1645 GMT 12 Jun 81

[Text] Rio Gallegos, 12 Jun (NA)--Federal Judge Federico Pinto Kramer has sentenced the two Chilean Army officers who were detained last year, 2d Lt Gonzalo Bravo Carreno and Lt Ismael Aranda Pozzo, to 2 years in prison on charges of attempted espionage.

Talks With Chile To Resume

PY122339 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2145 GMT 12 Jun 81

[Excerpt] Buenos Aires, 12 Jun (NA)--Foreign Minister Oscar Camilion announced today that talks on the "basic problem" within the framework of the pope's mediation in the southern conflict between Argentina and Chile will be resumed next week. In a brief statement, Camilion stressed that yesterday the Argentine Government reaffirmed "prior guidelines" regarding the mediation of the pope, and that "the factors which have recently been disrupting the atmosphere of the mediation have been eliminated."

Foreign Ministry Communique

PY130207 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2154 GMT 12 Jun 81

[Text] Buenos Aires, 12 Jun (NA)--The Argentine Foreign Ministry announced today that Chilean citizen Carlos German Cox Urrejola, pardoned by the Argentine Government at the beginning of this week, has been released "for lack of evidence." Thus, a brief communique issued by San Martin Palace refuted certain news media reports that Cox was a fugitive from justice. This is the communique:

With regard to the press communique released by this Foreign Ministry on 8 June stating the decision of the Argentine Government to pardon a Chilean citizen arrested in November 1978, this ministry wishes to report that citizen Carlos German Cox Urrejola, who had been included in the communique, was arrested on 2 April this year and remained under arrest until 8 April, when he was released for lack of evidence in keeping with the ruling of the judge of the fifth federal criminal court.

Chilean Cartographers Pardoned

PY142109 Buenos Aires TELAM in Spanish 2315 GMT 13 Jun 81

[Text] Buenos Aires, 13 Jun (TELAM)--The Argentine Government tonight released a communique granting pardon to Chilean citizens Patricio Enrique Gallardo Lopez, Gustavo Adolfo Caballero Taulis, Mario Enrique Benavidez Moya and Osvaldo Isabel Quiroz, complying with the request of His Holiness John Paul II for the appropriate atmosphere necessary for the continuance of the mediation in the southern conflict. These citizens will be released on 15 June. Here is the communique:

As yet another demonstration of compliance with the request of His Holiness John Paul II to create an atmosphere necessary for the continuance of the mediation in the southern conflict, and in keeping with the actions which have already been carried out in this regard, the national executive branch, making use of its constitutional powers, has pardoned the following imprisoned Chilean citizens: Patricio Enrique Gallardo Lopez, Gustavo Adolfo Caballero Taulis, Mario Enrique Benavidez Moya and Osvaldo Isabel Quiroz Saldia.

They have stood trial for crimes provided for in articles 291, 222 and 224 of the criminal code, as established in case No 5-257-81, which is being handled by the Rio Gallegos Federal Court. The implementation of this measure has been duly relayed to the judge who is handling the trial. These citizens will be released on Monday, 15 June.

Through this decision, the Argentine Government reaffirms the will which inspires it to continue eliminating obstacles which have been disrupting the atmosphere within which the activities of the holy mediator must develop.

Further on Cartographers

PY142119 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2013 GMT 14 Jun 81

[Text] Buenos Aires, 14 Jun (NA)--According to reliable sources, the four Chilean cartographers pardoned by the Argentine Government will arrive in Buenos Aires at midnight today and will be handed over to the Apostolic Nunciature.

Sources contacted by NOTICIAS ARGENTINAS indicated that the Chilean cartographers will arrive in Buenos Aires accompanied by Maj Cesar Guanisch, director of the 15th Federal Penitentiary Unit of Rio Gallegos, where they had been held during the trial.

The pardoned Chileans will spend tonight at the 1st Penitentiary Unit of this capital, and tomorrow at 1000 they will be handed over to the apostolic nuncio, Msgr Ubaldo Calabressi, who will place them at the disposal of the Chilean Embassy in Argentina.

Chilean Workers Released

PY142120 Buenos Aires NOTICIAS ARGENTINAS in Spanish 0228 GMT 14 Jun 81

[Text] Rio Gallegos, 13 Jun (NA)--According to information released here tonight, six Chilean workers who were arrested at the "Mina Uno" checkpoint in Rio Turbio on 5 May were released.

The Chilean citizens were arrested when trying to leave Argentina carrying a considerable quantity of Argentine currency.

They were released after it had been proven that the money belonged to other Chilean workers who were sending it to their relatives in Puerto Natales. The money has been delivered to its owners in the presence of a public notary.

Chilean Envoy Departs Suddenly

PY142130 Buenos Aires NOTICIAS ARGENTINAS 1827 GMT 14 Jun 81

[Text] Buenos Aires, 14 Jun (NA)--Chilean Ambassador in Argentina Sergio Jarpa Reyes today suddenly left for Santiago, but it has been denied that his trip is related to the recent measures implemented by the two governments in response to the call of Pope John Paul II.

"The ambassador has gone to Chile for strictly family reasons," an official of the Chilean Embassy said when questioned about the reasons for Jarpa Reyes' trip.

"The Chilean ambassador left this morning from Ezeiza International Airport, where his presence had not been noticed by the journalists. The trip of the diplomat was later confirmed by an official of the Chilean Embassy, who denied any kind of connection between the trip and the recent measures aimed at relaxation.

NAVY ISSUES COMMUNIQUE ON NATIONAL REORGANIZATION

PY122238 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2053 GMT 12 Jun 81

[Excerpts] Buenos Aires, 12 Jun (NA)--The navy stated today that the fulfillment of the objectives established by the current military government process must take place within a period of time which "cannot be considered indefinite." This statement by the navy is part of a communique issued by this armed forces branch at the end of a meeting of the Council of Admirals.

This is the text of the communique:

The Council of Admirals, highest advisory body of this institution, met at navy headquarters at 0900 today.

The council, presided over by the navy commander in chief, Adm Armando Lambruschini, analyzed the status of the process of national reorganization after it has been going on for 5 years.

Special attention was given to analysis of the economic and financial status since the latter has always been of special interest to this branch, which has always advocated, and still advocates, the need for a truly productive economy instead of a speculative economy which hampers the attainment of the objectives established on 24 March 1976.

Within the framework of the analysis of the international status quo, special attention was given to everything related to the pope's mediation, in keeping with the significance for the navy of aspects related to national sovereignty and to a coherent and sustained policy aimed at attaining established objectives.

As for the specific field of state management, a detailed evaluation was made of the development of the various sectors and their effect on the future of the process, on the basis that the established objectives must be fulfilled within a period of time which, according to the navy, cannot be considered indefinite.

The Council of Admirals reaffirmed that the current power structure is an essential and decisive element for the stability of the process launched by the armed forces--a process whose final objective is the political and institutional reorganization of the country capable of guaranteeing the existence of an effective and stable democracy in the future.

Finally, the meeting ended after a detailed analysis of the current and future performance of the branch, its policies and the timetable of this institution's activities capable of contributing to the success of the process.

ECONOMIC MEASURES REVEALED; REACTION REPORTED

Sigaut Reveals Measures

PY052145 Buenos Aires HERALD in English 5 Jun 81 p 1

[Text] (NA)--A series of expected economic measures aimed at rescuing businessmen who ran up large dollar debts prior to Monday's 30 percent devaluation and at aiding exporters were announced yesterday at Government House by Economy and Finance Minister Lorenzo Sigaut.

The minister also announced that President Roberto Viola is about to sign a massive wage increase for state and private sector employees, a step which will precede the return to collective wage agreements sometime in the future.

The minister also admitted that the rate of unemployment was on the rise especially since April, in many parts of the country.

The minister spoke to reporters at the Government House press room after a meeting yesterday with President Viola.

Central Bank President Egidio Ianella, who accompanied Sigaut into the press room denied reports that the country's foreign reserves had dropped \$100 million on Wednesday and \$100 million again on Thursday, but Sigaut refused to give the real figure for the drop in reserves. The measures to aid takers of foreign loans include a reimbursement equal to Monday's 30 percent devaluation for loans taken between 1 January and 21 May this year, and an exchange risk insurance for any future foreign loan taken out in Argentina. Sigaut estimated the private foreign debt at \$1 billion at present.

The measures announced by Sigaut include the prefinancing of exports by the government ranging from 40 to 80 percent of their FOB price as set out in list prepared by the government.

Sigaut said that the private and state sector wage guidelines to be announced soon will extend beyond the June-September period, and will open the way for the return to wage negotiations, by bringing collective wage agreements in line with the actual salaries being paid.

Agriculture Minister Comments

PY030335 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1233 GMT 2 Jun 81

[Excerpt] Buenos Aires, 2 Jun (NA)--Argentine Agriculture and Livestock Minister Jorge Aguado today stated that the devaluation implemented by the government yesterday has increased the value of exports subject to no withholdings by 30 percent and those which are subject to withholdings by 30 percent, and those which are subject to withholdings "will have a net profit of 27 percent."

In his statement to the radio program "Magdalena and the News," Aguado also reported that the farmers had already requested the Banco Nacion to supply them with credit for the coming sowing season and were planning to "sow approximately 1 million hectares."

Aguado yesterday returned from the United States where he had stopped on his way back from a meeting in Yugoslavia. He said that the representatives of 72 countries and 25 international organizations had attended this meeting.

"It was an important international meeting aimed at discussing food production and trying to resolve hunger problems which the world is experiencing," Aguado explained. "There," he said, "we discussed these problems which are not free from political connotations."

He indicated that the meeting had analyzed the position that "foodstuffs cannot be used as weapons, something which Argentina clearly demonstrated last year when it refused to join the embargo (grain embargo implemented by the United States against the Soviet Union). What we can deduce is that the production of foodstuffs is evidence of the benefits of certain political systems where this activity does not experience any problems." He added: "The socialist world purchases foodstuffs from what we call the free world."

He also said that the subject of subsidized exports of the EEC had been analyzed and that "the final declaration of the meeting called upon all countries to lift protectionist barriers freeing the staples trade."

He explained that "there is a general awareness of this situation, which does not mean that the countries where protectionist measures are being applied will lift them very soon."

He stressed: "However, they are becoming aware that this attitude is a negative discrimination against the food-producing countries and that, in fact, it is making food production more costly and is hampering the development of countries which depend on these exports for the improvement of their overall economic situation."

Businessmen, Experts React

PYO42112 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1922 GMT 2 Jun 81

[Excerpt] Buenos Aires, 2 Jun (NA)--Experts, businessmen and politicians today cautiously reacted to the devaluation of the Argentine peso, but all of them agreed that this measure could worsen the serious economic situation unless complementary measures were implemented as well.

None of the persons we asked expressed an optimistic opinion on the future evolution of the economy. Some of them forecast either an inflationary surge or a recession.

Former Economy and Finance Minister Alvaro Alsogaray stated that the 30-percent devaluation ordered by the government has been "forced by the circumstances." He said it is "merely a result of the situation which has been building up for some time," ever since 1978 when the then Economy and Finance Minister Jose Alfredo Martinez de Hoz implemented the "mechanism of repressed inflation."

Alsogaray said that "the Argentine industrialists will be slightly happier because imported goods will be more expensive. This means that local production and industrialists will feel more protected."

He warned, however, that "there is an unpleasant side to the coin. Domestic costs and prices will increase keeping up with devaluation and this means that the whole country will pay more for goods and its standard of living will decline."

The foreign minister said: "We will need more pesos to pay these new prices and whether these pesos come out of the printing shop or from expanded credit, we will be helping inflation. If we do not issue more pesos, then everybody will feel the effects of devaluation as if it were a true recession, and many persons may find themselves short of cash to pay salaries."

The president of the Argentine Agrarian Federation, Humberto Volando, stated that the devaluation of Argentine currency will bring a "temporary relief" to agriculture and industry but warned that unless "complementary measures required by every devaluation were implemented," the relief may be short-lived and its consequences may "help maintain the current economic situation or even worsen it."

The president of the Agrarian Federation indicated that "we must realize once and for all that the country is bankrupt." Volando demanded the urgent implementation of a "new, complete, detailed and strict economic plan capable of getting us out of this quagmire."

In response to questions from NOTICIAS ARGENTINAS, the rural leader indicated that "a devaluation, whether big or small, requires a number of complementary measures in order to take advantage of its positive aspects and soften the negative ones." He added: "However, we see no sign of such measures."

Jacques Hirsch, president of the Argentine Industrial Union (UIA), warned from Geneva about the possibility of an "inflationary impact" as a result of the devaluation.

Hirsch, who is heading the business delegation to the ILO, stated on the phone to the radio program "Magdalena and the News" that the devaluation "will help change relative prices, will discourage certain imports and will improve exports." He said, however, that "he was surprised by the fact that the economic package had not mentioned anything about public expenditures."

MID Leader Supports Measures

PY030317 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2322 GMT 2 Jun 81

[Excerpt] Buenos Aires, 2 Jun (NA)--Rogelio Frigerio, economist and leader of the Integration and Development Movement (MID), today called the 30-percent devaluation of the Argentine peso "inevitable" and defended a "desirable single and free exchange market."

Asked about the measures announced last night by Economy and Finance Minister Lorenzo Sigaut, he said: "first of all, we must take into account the difference in behavior and the awareness of the current administration as compared to the previous one."

He said that the current officials "are concerned over the situation of productive sectors, a concern which did not exist among those responsible for the economic and financial chaos which this government has inherited."

Ministers Deny Dissention

PY041840 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1221 GMT 3 Jun 81

[Text] Buenos Aires, 3 Jun (NA)--Minister of Economy and Finance Lorenzo Sigaut and Trade Minister Carlos Garcia Martinez denied misunderstandings among the leaders in the economic area and affirmed that the economic program can depend on "the complete backing of the executive branch and the cabinet."

Sigaut, who spoke first at the news conference called by the two ministers, revealed that he had decided together with President Roberto Viola "the levels of remuneration, such as the adjustments of the minimum wage and of negotiated salaries, and the salary policy for state enterprises," but he did not give any figures.

He also said that the "salary adjustments are for the period June-September" of this year, and he announced that today the Central Bank will publicize the measures for "readjustment" to the devaluation, "which will not distort the coherence of the economic program."

For his part, Garcia Martinez put emphasis on denying any responsibility on his part for a story on an eventual economic collapse that was published on Thursday in a Buenos Aires afternoon paper.

"I wish to clarify the disgraceful stories and news leaks which arose from an off the record [last three words in English] conversation that I had with a journalist who, lacking the fundamental norms of etiquette of his profession, has given a loose account of my reactions and conversations on the economic process," Garcia Martinez said.

He added: "I do not need third persons to disclose my thoughts to my colleagues, the president and the cabinet."

In ending, he emphasized that the national government "has only one policy and the members of the Cabinet know this perfectly well."

BRIEFS

AMBASSADOR TO URUGUAY--The Uruguayan Government has accepted the appointment of (ret) Gen Santiago Omar Riveros as the new Argentine ambassador to Uruguay. The new ambassador replaces Guillermo de la Plaza. [Buenos Aires NOTICIAS ARGENTINAS in Spanish 2148 GMT 11 Jun 81 PY]

NAVY COMMANDERS' MEETING ENDS; UNITY STRESSED

PY121911 Buenos Aires LATIN in Spanish 1836 GMT 12 Jun 81

[Excerpts] La Paz, 12 Jun (LATIN-REUTER)--According to an official report, the Bolivian Navy reconfirmed its unity today at the end of a 2-day meeting of all naval commanders. No political issues were discussed.

Navy Commander Oscar Panno told this agency: We are not entitled to study or discuss political problems, and this meeting only dealt with operational plans of the navy.

Panno today displayed the badges of rear admiral, a rank he was promoted to during the past few hours by the government. He had been a captain. There was no official report on his promotion.

The navy commander was the only speaker at the ceremony marking the closing of the navy commanders' meeting.

It has been established that agreement, esprit de corp and unity of ideas exist within the navy, Rear Admiral Panno stated.

GARCIA MEZA'S RESIGNATION REPORTEDLY ACCEPTED

PY131845 Buenos Aires LATIN in Spanish 1657 GMT 13 Jun 81

[By Juan Javier Zeballos]

[Excerpts] La Paz, 13 Jun (LATIN)--Reliable army sources told this agency today that the Bolivian Navy has decided to accept President Luis Garcia Meza's offer to hand over the government on 6 August.

These sources, who asked not to be identified, said that they were informed that the commanders of the navy have taken the same position taken by the army during a similar meeting held from 2 to 4 June.

Army sources said: We believe that the navy has taken the same position, according to information we received Thursday night.

Navy Commander Rear Adm Oscar Panno told reporters, however, that matters related to the presidential succession were not discussed during the commanders' meeting because this is a matter to be discussed only by the armed forces junta commanders.

He said that the three members of the junta are consulting each other perpetually and that this matter is being discussed with intelligence and responsibility, bearing in mind the interests of the country.

He added: We are searching for an appropriate solution and it is possible that the commanders of the three forces will decide to give an explanation to the people next week.

DEFENSE MINISTER REASSERTS UNITY OF ARMED FORCES

PY121556 Buenos Aires TELAN in Spanish 0310 GMT 12 Jun 81

[Text] La Paz, 11 Jun (TELAN)--The Bolivian defense minister, Gen Armando Reyes Villa, stated that the objective of the biased rumors spread throughout the country is to contend that there is an electoral dispute within the armed forces, that there is a disagreement between its members, and, if possible, cause a clash between them.

In an open letter submitted to the press, the defense minister charged politicians with trying to recover their lost position and return to power from which they were ousted because of their lack of patriotism and their scorn for those principles that the Bolivian people defend. He said that politicians believe they can once again knock on the barracks' doors and use the armed forces as a tool for their ambitions. But, he added, they will not succeed.

In the letter, he noted that the rumors that are being spread depict the military leadership as being involved in a power struggle. But there is no such thing, he said. Every military chief, every officer, is involved in a great undertaking and he cannot disregard his mission to be involved in election campaigns.

After noting that politics must be left out of military institutions, General Reyes Villa stated that because of loyalty and a basic principle of discipline, all members of the armed forces have closed their ears to the attractive offers that some politicians are making.

He also noted that all the members of the armed forces are aware of the responsibility they assumed on 17 July 1980. He stated: "We must lead the armed forces and the country along a true path of national reconstruction and not get involved in those election disputes we have so often criticized."

FOREIGN MINISTER ON NORMALIZATION OF RELATIONS

Drug Charges' Negative Effects

PY121853 Paris AFP in Spanish 1439 GMT 12 Jun 81

[Text] La Paz, 12 Jun (AFP)--Bolivian Foreign Minister Mario Rolon Anaya said yesterday during a Cabinet meeting that Bolivia has so far been unable to normalize its diplomatic relations with the United States, Venezuela, Panama and Ecuador.

Rolon Anaya attributed this situation to the campaign against Bolivia abroad organized by ultraleftist sectors. He particularly noted the negative effects of the 60 Minutes television program broadcast in the United States, which charged that several Bolivian military leaders are involved in drug trafficking. He also noted another similar program prepared by two Canadian journalists in France.

The foreign minister warned that the normalization of diplomatic relations with these countries--including Venezuela and Ecuador, which along with Bolivia, Peru, and Colombia, are members of the Andean Pact--depends on answering this dreadful charge.

Relations With U.S., Venezuela

PY142151 Buenos Aires TELAM in Spanish 1939 GMT 13 Jun 81

[Text] La Paz, 13 Jun (TELAM)--Bolivian Foreign Minister Mario Rolon Anaya has guaranteed that the talks aimed at normalizing Bolivian-U.S. relations are at the final stage and only formal details are left before reaching an understanding. He stated that the talks are continuing in the U.S. capital and revealed that there is a new note of agreement which is not just a mere declaration.

The foreign minister indicated that his ministry is handling the contacts with appropriate prudence and stressed that once the talks are over, he will ask the State Department to supply documented information of the entire process in order to make it public knowledge.

Speaking about the reestablishment of relations with Venezuela, Rolon Anaya said that his Venezuelan counterpart, Jose Alberto Zambrano, had stated that his country will seek a pragmatic solution and added that news in this regard is being awaited.

CIVILIAN SECTORS EXPRESS SUPPORT FOR GARCIA MEZA

PY121419 Paris AFP in Spanish 0114 GMT 12 Jun 81

[Text] La Paz, 11 Jun (AFP)--Bolivian President Luis Garcia Meza said here today that the armed forces are quite capable of deciding about the future Bolivian Government.

Speaking to 500 nationalist women leaders who came to Government Palace to ask him to continue in power, Garcia Meza said that it is true that serious national problems cannot be solved in 10 months.

But he noted that during the 10 months of his administration, the country experienced peace and order as opposed to the anarchy that reigned in the country because of extremist activities. After thanking them for their support, Garcia Meza noted that the regime will end in a democracy that will respect the intrinsic characteristics of the Bolivian people.

Moreover, the Santa Cruz prefect, Oscar Roman Vaca, has reported that Santa Cruz truck drivers, teachers, the Sugar Cane Association, the Cotoca Town Council, district councils and professional associations have asked Garcia Meza to withdraw his resignation.

All this is taking place while the armed forces commanders are holding a meeting to study Garcia Meza's possible successor or his confirmation as president.

MIR PROPOSES CIVILIAN-MILITARY CONVERGENCE

PY121821 Paris AFP in Spanish 0156 GMT 12 Jun 81

[Text] La Paz, 11 Jun (AFP)--In a letter to Army Commander Gen Humberto Cayoja and to Army Chief of Staff Gen Lucio Anez, the Movement of the Revolutionary Left (MIR) states that only a civilian-military agreement, capable of creating the minimum conditions for stability and unity, will be able to save Bolivia from a national disaster.

Published today by the Santa Cruz newspaper EL DEBER, the letter is from the most active political faction of the Democratic and Popular Union (UDP) of former President Hernan Siles Zuazo. It considers the government of Gen Luis Garcia Meza the main opposition front.

The letter indicates that the indispensable civilian-military agreement is an authentically national, popular and democratic process, with all its consequences. It surpasses the traditional calls to the armed forces, which are of poor and limited scope.

Signed by the MIR National Board, Alfonso Camacho Pena and Gaston Encina Valverde, the letter states that the suspension of the democratization process [words indistinct] its own limitations and weakness.

It adds that an unprecedented alternative (?has been adopted) and the catastrophic results and damage to the country--to freedom, economy, morality, to the image and position of Bolivia within the context of world nations--will not be easy to overcome.

Generals Cayoja and Anez were recently cited by former President Victor Paz Estenssoro in remarks made in Lima, Peru, as the two most intelligent military officers in the Bolivian Army.

EXILED LANZA, OFFICERS TRAVEL TO ECUADOR

Stopover in Lima

PY122335 Buenos Aires LATIN in Spanish 2319 GMT 12 Jun 81

[Text] Lima, 12 Jun (LATIN-REUTER)--Ten exiled Bolivian officers, including Lt Col Emilio Lanza, who headed two attempted coups against President Luis Garcia Meza's government, stopped over in Lima this afternoon on their way to Ecuador. The group, made up of nine army officers and one navy officer, later continued their trip to Quito where they will meet with five other officers deported by the Bolivian Government a week ago.

Col Lanza's News Conference

PY131250 Buenos Aires LATIN in Spanish 0152 GMT 13 Jun 81

[Text] Lima, 12 Jun (LATIN-REUTER)--Lt Col Emilio Lanza, who twice rose against Gen Luis Garcia Meza's Bolivian Government, stated here today that his country's armed forces are not corrupt, but that the military men in government are the corrupt ones.

"There are honest military officers in the ranks of the armed forces," Lanza said, passing through Lima on his way to Quito, after having been expelled by his country's government.

The former CITE commander stopped over in Lima together with nine other officers--including Lt Cdr Guillermo Canedo, commander of the Navy Special Training Center--all of whom had been expelled from their country.

Lanza, former commander of the Special Troops Training Center (CITE) held a news conference at the international airport, during which he told the journalists that former Bolivian Interior Minister Col Luis Arce is involved in drug trafficking.

"I want to report that the honor of the armed forces has been jeopardized by drug trafficking, illegal business deals, and other actions contrary to good moral standards and proper behavior. I denounce former Interior Minister (Arce) and other military officers who are involved in drug trafficking," Lanza said.

Lanza reported that in Quito they will meet with five majors of the Bolivian Army who were deported last week.

"I believe that the future of this government, if Garcia Meza remains at its head, will be disastrous. Garcia Meza must be replaced by General Cayoja or anybody else," Lanza said.

He added: "I believe that we have attained our objectives," speaking of the two uprisings which he had headed. The last one took place on 22 May.

"First of all, we were seeking Garcia Meza's resignation and this has taken place. We also wanted separate managements for the army and government, and this also has been attained. Finally, everyone has understood our desire to show that the Bolivian Armed Forces are not corrupt. Those in the government are the corrupt ones," the officer said.

He clarified that the uprisings he had led were not political. Rather they were aimed at recovering the prestige of the armed forces, which have lost a great deal of prestige.

"I would also like to make it clear that I did not propose Generals Hugo Banzer or Natusch Busch as possible presidents," Lanza said, acting as spokesman for the group of exiled officers.

Later in the news conference, he said that President Garcia Meza is ruling the country through a system of terror, thanks to his strict control of state security mechanisms.

"I say that a system of terror is prevailing in my country because there are now about 200 officers arrested, dismissed and banished to barren regions of the country. From this you can well imagine what is happening to the civilians," he indicated.

Lanza stressed that he had participated along with other young officers in the military coup, which on 17 July 1980 ousted former President Lidia Gueiler because "we had hoped that the country would move to a stage of order, work and progress."

Lanza reaffirmed that, because of President Garcia Meza and those who are working with him, Bolivia is facing a difficult economic, political and social situation.

"This can be seen in the crisis of the armed forces. The crisis began with our movement through which I criticized President Garcia Meza for his lack of responsibility in conducting government affairs," Lanza explained.

According to the officer, who had spent 18 days in asylum at the Apostolic Nunciature in La Paz, the civilian population had supported his uprising in Cochabamba, but then they lost their courage when paramilitary forces killed 4 persons, wounded scores of people and arrested 200 demonstrators.

The former CITE commander denied the reports that Argentine civilians were being used as paramilitary forces and said that evil Bolivians are operating in the name of the armed forces, perpetrating all sorts of outrages, robberies, raids and pillage.

"These paramilitary groups are made up of outcasts, without jobs. They are the true tormentors of the people," Lanza said.

Among the military officers who stopped over in Lima in addition to Lanza are Lt Col Luis Maldonado, Maj Eduardo Galindo, Maj Fernando Galindo, Maj Luis Montero, Maj Luis Iriarte Gonzalez (second commander of CITE), Capt Mario Orellana, Capt Alberto Sabe, Capt Arnaldo Merida and Navy Lt Cdr Guillermo Canedo.

Lanza indicated that in Quito he will meet with Majors Abel Montero, Jorge Castellon, Edgar Velasco, Gilbert Toro, and Fernando Ortiz.

Stopover in Bogota

PA130338 Madrid EFE in Spanish 2355 GMT 12 Jun 81

[Text] Bogota, 12 Jun (EFE)--A group of Bolivian military officers, headed by Lt Col Emilio Lanza, who tried twice to overthrow President Luis Garcia Meza, has arrived in Bogota, apparently on its way to Ecuador to ask for asylum there. The officers were met at Eldorado International Airport by members of the Administrative Security Department (DAS), after flying from La Paz via Lima on Avianca.

Arrival in Quito

PA132257 Paris AFP in Spanish 2150 GMT 13 Jun 81

[Text] Quito, 13 Jun (AFP)--A group of 10 Bolivian officers who were exiled by the dictatorial government of Garcia Meza arrived here this afternoon from Bogota, where they spent last night. The officers are led by Lt Col Emilio Lanza and are staying in a Quito hotel. Ecuador granted political asylum to 15 officers who sought asylum at the Apostolic Nuncio's office. The other five arrived here 5 days ago.

SECURITY AGENTS AVERT ATTACK ON PRESIDENT PINOCHET

PY121421 Paris AFP in Spanish 1350 GMT 12 Jun 81

[Text] Arica, Chile, 12 Jun (AFP)--Press reports citing official sources stated today that three communist militants detained here planned to attack Chilean President Augusto Pinochet.

These militants, Jose Soto Matamala, 55 years old; Antonio Bravo, 41; and Jose Rodriguez Rodriguez, 49, were captured by agents of the National Intelligence Center (CNI), the government security organization.

The investigators thus dismantled a plan of agitation and propaganda which would have ended with an attack on General Pinochet when he visited Arica last Tuesday and Wednesday, according to the press reports.

It was recalled that the extreme security measures adopted around the president during his stay in Africa, 2,000 km north of Santiago, Chile, and on the border with Peru, were noticed by all.

GOVERNMENT EXTENDS STATE OF SIEGE IN COUNTRY

PY101714 Paris AFP in Spanish 1557 GMT 10 Jun 81

[Excerpts] Santiago, 10 Jun (AFP)--According to a presidential decree published today, the Chilean Government has extended the state of siege in the entire national territory for 90 days in view of an internal threat to national security.

Besides extending the state of siege for another 3 months, General Pinochet's government also confirmed the military chiefs of the various regions of the country in order to enforce this emergency law.

PAPER ON FOREIGN MINISTER'S VISIT TO WASHINGTON

PY131218 Santiago Chile Diplomatic Information Service in Spanish 2354 GMT 12 Jun 81

[EL MERCURIO 12 June editorial]

[Text] During his visit to Washington, Foreign Minister Rene Rojas Galdames had the opportunity to resume diplomatic talks with U.S. Government officials and examine the best ways to improve relations between the two governments. Both the level of the interlocutors and the topics of discussions reveal a new attitude of the U.S. Government toward Chile and Latin America in general, an attitude contrasting with the cold diplomatic climate in recent years.

Vice President George Bush--whose functions regarding international crises have been on the rise--Secretary of State Alexander Haig, influential congressmen of the Democratic and Republican Parties, the defense under secretary, the UN ambassador and other government officials met with Foreign Minister Galdames. These meetings gave our foreign minister the opportunity to explain Chile's positions on international questions, as well as aspects of our domestic development to such a representative group of U.S. officialdom. It is to be expected that this will lead to a better understanding for our political and economic reality.

Minister Galdames emphasized Chile's strategic position on the American Continent. He emphasized the significance its position might have in international developments in which the Reagan government has been especially interested since it came to power. He also stressed our country's right and duty to participate in the great decisions of continental importance, indicating his purpose to conduct an active policy at the hemispheric level in order to contribute to better understanding among countries in the region.

The significance of such a visit has been reflected in a declaration recently made by our foreign minister. He said that he did not go to Washington to request economic assistance, but to express Chile's desire to cooperate with the United States.

Foreign Minister Galdames mentioned the role of international organizations and a well-cemented friendship, the effectiveness of Chile's Armed Forces, the autonomy and freedom inherent in our national values and economic development as possible elements, in his opinion, for setting up new forms of cooperation.

In the case of some international organizations, particularly those of an economic nature, there has been a growing coincidence in the positions held by the United States and Chile. This opens prospects for effective cooperation in mutual benefit.

The possibility of cooperation in international organizations of a political nature is more difficult, because our country must maintain its traditional independence from the big powers and must act in accordance with our national interests and reality. Here our position cannot always coincide with that of the United States.

The international recognition of the economic policy being implemented by our government has become obvious in this visit. The economic policy of Chile is observed with interest by official and private sectors abroad.

That policy has been a factor which has facilitated the conduct of our diplomatic relations and the review of forms of cooperation with friendly countries and international organizations.

It should be possible to see in coming months the positive results of our foreign minister's meeting in Washington, including the lifting of some restrictions which still remain.

To that effect, the visit which Galdames paid to Senate Majority Leader Senator Howard Baker and Foreign Relations Committee Chairman Senator Charles Percy should prove to have been opportune.

FINANCE MINISTER ON RETURN TO ANDEAN PACT

PY111227 Santiago Domestic Service in Spanish 1100 GMT 11 Jun 81

[Text] Chile could return to the Andean Pact, but only if the member nations are prepared to reduce their custom tariffs to 10 percent. This statement was made by Finance Minister Sergio de Castro during a stopover in Lima, Peru.

In a brief talk with journalists of that country, Sergio de Castro indicated that he was a firm supporter of foreign investment and its economic redistribution. He recalled that Chile had withdrawn from the Andean Pact in 1976 because its economic policy did not agree with that applied by the other Andean Pact partners: Bolivia, Colombia, Ecuador, Peru and Venezuela.

De Castro said that his impression was that the subregional group has not developed much since, despite the numerous accords reached and the political support it has received.

The stagnation of the Andean Pact is evident nowadays, he said. He also praised Peru's decision to revise the 24th decision, concerning foreign capital. He added that if the current custom tariff barriers are lowered, Chile could return to the Cartagena Accord because it is an Andean country and has kept traditionally good social, economic and political relations with its former partners.

De Castro made it very clear, however, that this could take place only if the Andean Pact nations are prepared to lower their custom tariffs to 10 percent.

LOPEZ PORTILLO ANSWERS EDITORS' QUESTIONS

Meeting With Reagan

FL121306 Mexico City NOTIMEX in Spanish 0255 GMT 12 Jun 81

[By Enrique Alvarez Manilla]

[Text] Mexico City, 11 Jun (NOTIMEX)--President Jose Lopez Portillo today asserted that the country's sovereignty has not been violated and that Mexico does not allow its violation since we will always defend our rights. The chief of the Federal Executive Branch made the assertion while indicating that there is no controversy with the United States regarding the Law of the Sea, since it is a case of a proceeding [pending ratification of bilateral maritime agreements] in the U.S. Senate. As far as Lopez Portillo is concerned, everything else has been totally resolved and he emphasized that the proceeding is an internal matter.

We would be in an absurd world of arbitrariness, he said, if the demarcation of nations were to be determined as a result of misunderstanding and the existence of resources. The boundaries of a country are not set by resources but by right, which is the purpose and banner of Mexico, the chief executive reiterated.

We will defend at all forums and with all our energy the right of Mexico to its established, agreed upon and definitively resolved boundaries. It is for this reason that the issue was not even raised in my meeting with the U.S. president, Lopez Portillo said.

Within the context of 10 [as received] questions posed to him by editors and directors of provincial newspapers, the president of the republic said the important thing about his meeting with Reagan was the attitude and atmosphere. An absurd tension derived from misunderstanding was (?broken) and, above all, there was respect, (?he said).

Regarding undocumented workers, the president said that U.S. officials explained the various plans and projects they have to solve the problems and that Mexican opinion will be taken into account. The president added that Mexico will make no commitment to prevent any Mexican from traveling throughout the territory as he "pleases." It is up to us to make our own decisions which do not violate the freedom to travel or resettle.

Devaluation Policy, Economics

FL121116 Mexico City NOTIMEX in Spanish 0205 GMT 12 Jun 81

[By Enrique Alvarez Manilla]

[Text] Mexico City, 11 Jun (NOTIMEX)--President Jose Lopez Portillo has asserted categorically that there is no devaluation policy for the Mexican peso. He added that the devaluation psychosis must end because the resources exist to manage the economy in a healthy manner.

The nation's chief executive expressed himself in those terms when answering one of 11 questions posed to him by editors and directors of newspapers from as many states of the republic following a dinner marking Freedom of the Press Day.

Lopez Portillo explained that the oil price drop in the international market obviously will result in Mexico's not getting a specific sum of foreign exchange. However, the importation of grains will be avoided as a result of excellent crops, thereby compensating for the situation because economic resources would not go out of the country unnecessarily.

He said the success of the Mexican nutrition system is being confirmed and that incentives for farm production have resulted in unprecedented production figures and, should this continue, the country will be self-sufficient in foodstuffs in a short period of time. Commenting on inflation, Lopez Portillo said it is a phenomenon that is overburdening not only Mexico but the rest of the world as well, including economies considered to be solid. He said the Mexican Government has a more viable solution by raising production and not restricting demand, as is happening in other nations.

While criticizing the devaluation psychosis which emerged at other times, the chief executive explained that the national economy in the past was organized to maintain the stability of the peso and it thereby encouraged speculation; and the difference now is that the monetary system supports the economy in general. Emphasizing that devaluation of the currency is healthy for some nations, like Japan, which thereby increased its export capacity, the president said Mexico consumes everything it produces and that its export capacity is saturated. He reiterated that the country does not require a devaluation policy and is following a balanced economic policy since the resources exist to manage the monetary system in a healthy manner.

Gasoline, Oil Prices

FL121152 Mexico City NOTIMEX in Spanish 0210 GMT 12 Jun 81

[By Enrique Alvarez Manilla]

[Excerpts] Mexico City, 11 Jun (NOTIMEX)--Mexican President Jose Lopez Portillo has asserted that the price of gasoline will not be raised in the immediate future so as not to harm the low-income classes, but he demanded an effort from all the Mexican people to prevent the waste of gasoline.

On another matter, he said Mexico will not raise or lower its oil-production program since a plan already exists, and it will be followed because the country has the capacity to respond to the uncontrolled international crude oil market.

Commenting on the price drop in the international oil market, he said the oil-consuming countries in one way or another have applied one of the elements of the world energy plan submitted by Mexico to the United Nations. He explained that the plan calls for rationalizing the consumption of hydrocarbons and seeking new sources of energy, which, he said, the industrialized countries undoubtedly have done in lowering their daily requirements by 4.5 million barrels.

CUBAN-MEXICAN COMMITTEE CALLS FOR EXPANDED TRADE

FL131426 Havana Domestic Service in Spanish 1400 GMT 13 Jun 81

[Text] Mexico City--The second plenary meeting of the Cuban-Mexican management committee has ended in Mexico City with the signing of a joint statement and the expressed desire to expand trade between Mexico and Cuba. The statement--signed by Raul Salinas Lozano, director general of the Mexican Foreign Trade Institute; and Walter Leo, chief of the committee's Cuban section--emphasizes the interest of the two sides in eliminating all obstacles which preclude greater expansion of bilateral trade in all areas.

BELIZEINDEPENDENCE TALKS HELD UP BY GUATEMALA

FL122003 Bridgetown CANA in English 1935 GMT 12 Jun 81

[Text] Belmopan, Belize, 12 Jun (CANA)--Further talks on the Belize independence issue, scheduled to begin in London on Monday, have been postponed, it was announced here today. A government statement said that Guatemala, one of the parties in the talks, said it would be unable to attend because it needs more time to study documents produced at the last meeting in New York, 20-28 May.

Under a provisional agreement reached last March, Guatemala dropped a century-old claim to Belizean territory in exchange for certain maritime rights through Belizean ports. The claim had held up independence for Belize, Britain's last remaining colony in Central America.

EL SALVADORDEFENSE MINISTER: ARMY CONTROLS INSURRECTION

PA141322 Panama City ACAN in Spanish 1902 GMT 13 Jun 81

[Text] Guatemala City, 13 Jun (ACAN-EFE)--The Salvadoran Army is controlling the leftist insurrection, Salvadoran Defense Minister Col Jose Guillermo Garcia affirmed today in Guatemala. "Although an immediate end to the armed struggle is not foreseeable, the Salvadoran Army controls the situation and each day we are gradually consolidating our positions toward the final victory," Garcia said.

"International communism has been trying to conquer El Salvador since 1939 and has failed in its attempts," he commented. According to Garcia, the current Salvadoran Government is promoting the social reforms needed to improve the people's standard of living.

U.S. URGED TO GRANT ECONOMIC, NOT MILITARY AID

PA121638 San Salvador LA PRENSA GRAFICA in Spanish 11 Jun pp 6, 17

[Eduardo A. Gutierrez commentary: "More Military Aid for El Salvador"]

[Text] Mr Deane R. Hinton, the new U.S. ambassador to El Salvador, has promised "to contribute, as much as he is capable of, to the solution of our problems." In response to questions about military aid from journalists, Hinton said: "If the leftists receive more arms, military aid will be increased."

If conditional options were possible, we would be in favor of not having U.S. military aid "if the leftists receive more arms." That would be some sort of competition or a boxing match between those who supply arms to the left and the United States, who could send loads of arms to increase the slaughter of Salvadorans. We believe that the best thing is to bilaterally control or stop the arms supply. Most Salvadorans would be pleased to see the U.S. National Security Council take the economic path and exclude military aid to our country because we are fed up with armed clashes, death and destruction. Therefore, we believe it is necessary to find a peaceful solution for our conflict, as U.S. ambassador-at-large Vernon Walters thinks. Walters said in Santo Domingo: "Just as I want respect for my country's sovereignty, I also want respect for other countries so that they may seek their own future." El Salvador is seeking its own future, not violence and much less a continuation of violence. It seeks the road that will lead us to peace by means of the people expressing their will through their votes in elections. To do this, we do not need more arms that can only serve to inflame the fratricidal war.

It is time to think about national reconstruction and not about more destruction. This is why we dare suggest that our government should ask that the aid offered by Ambassador Hinton on behalf of his government, instead of being military, be economic. This type of aid would help us improve commerce, industry and agriculture. It would reactivate paralyzed sources of employment. This type of aid would benefit not the government specifically, but the Salvadoran people who, for unfortunate reasons, have almost become nomads and refugees in their own country.

UNGO ON U.S. AID, INTERNATIONAL MEDIATION

U.S. Aid Prolongs War

PA150209 Havana International Service in Spanish 0000 GMT 15 Jun 81

[Text] Guillermo Ungo, president of the Revolutionary Democratic Front, has charged that the prolongation of the struggle in his country is due to the military, political and economic support that the United States is giving to the Christian Democratic and military junta.

The leader, who is visiting Venezuela, said that the authorities of that South American country have an erroneous view of the Salvadoran situation. He noted that only the most reactionary forces of the continent are giving all kinds of aid to the genocidal individuals who are usurping power in El Salvador. He accused the junta of refusing to provide a political solution for the Salvadoran conflict. He stated that the country's problems are not generated by external causes but by hunger, exploitation and the violent repression that the people have been suffering throughout history.

Mediation Would End Conflict

PA142128 (Clandestine) Radio Venceremos in Spanish to El Salvador 0000 GMT 14 Jun 81

[Frida Navas interview with Companero Guillermo Manuel Ungo, president of the Revolutionary Democratic Front, as published by the Mexican daily EL DIA; no publication or interview date given--read by announcer]

[Excerpts] [Question] Dr Ungo, why does the Revolutionary Democratic Front [FDR] promote a political solution through mediation? What are the characteristics of this mediation? What are its possibilities now? And what are the main obstacles to the mediation?

[Answer] Every day more government and international political forces become concerned about the Salvadoran situation, which affects not only the region but also world detente and peace. For this reason, there is interest in a political solution through international mediation and this is being propitiated. The FDR agrees with this position and accepts an international mediation that should contribute to finding a political solution decided by the Salvadoran people.

We consider the mediation a specific tool that we must accept as a historic responsibility to diminish the social and human cost of the struggle of the Salvadoran people. For this reason, the mediation we are accepting does not have the political-maneuver characteristics that the military-Christian Democratic junta has deceitfully attributed to it and used as an excuse to reject it.

The mediation would serve an objective: to win democratic peace. The FDR sees the mediation as a tool to struggle and reach that objective. The mediation, therefore, is one important element of the revolutionary and democratic strategy that can lead to a political solution to the conflict. This would spare the people suffering and blood. The people have condemned the extermination policy of the military-Christian Democratic junta.

We also see mediation as something to which democratic forces of the country, that are not represented in the FDR but that are accepted because of the present social and economic conditions of our society and because of the Salvadoran Government's economic and terror policies, should turn to. Therefore, the mediation could become a source of broad social understanding and truthfully express the most representative groups that want change and the well-being of the majority.

The mediation we will accept and work with is not the result of weakness or because we think that there is a virtual tie between the forces in conflict. This is a simplistic, emphatic and absolute appraisal that cannot see the true determination of the Salvadoran struggle process. At present there is a disparity between the forces in conflict because of weaknesses and advantages in the social confrontation, which is not just of a military nature. In this regard, we believe we have considerable advantage, which is increasing and will contribute to winning due to the great weakness that the military-Christian Democratic junta presents.

In this framework, our advantages have not been used sufficiently to secure victory. The present disparity does not mean a tie. The advantages we have obtained are what allow us to promote a political solution through mediation. They allow us to use all political-military and political-external factors to put them at the service of a political solution that will allow the self-determination of the Salvadoran people.

The FDR is not adopting an exclusive or excluding position. It is trying to have mediation contribute to understandings with other social, political and economic sectors, including an important sector of the present army, a sector that is honest and democratic and wants a political solution with broad support from the people.

[Question] Dr Ungo, how long will the Salvadoran conflict last? What factors determine the prolongation of the conflict? What are the political and material conditions that would favor a prolongation? Is there really in El Salvador a political center that the United States claims to be supporting?

[Answer] The military right has completely retaken control of power and domestically does not need the Christian Democrats to restructure oligarchic policies to put them in line with the geopolitical fever of East-West confrontation of the new U.S. administration.

The political fragility of the military-Christian Democratic alliance does not make this alliance viable, not even in the short run. Efforts have been made to implement an impossible Bonapartism without any social sector approaching them. Those who could benefit from the reforms lost credibility when the reforms were degraded and suspended and when repression was imposed in a climate of terror. All reformist ideas are suspected of being subversive. The oligarchy agreed with the repressive program and rejects the slightest concession to Christian Democratic reforms. This is why the political center that the political sectors of the State Department and the White House--which also fear democracy--so much want and work to create is illusory.

The only persons who have not been changed in the government are: the defense minister, the directors of the security corps and junta member Col [Abdul] Gutierrez. It is they who are obviously the true political and military power and the promoters of the war of extermination. Those like Colonel Majano, who have been opposed to the real power, have had to leave the government.

This is not an abstract right that can be fought abstractly. This is a real right that is represented by the high military command that acts as it pleases. It is important to point out that one of the persons arrested in connection with the investigations being carried out concerning the assassination of U.S. agrarian reform advisers has admitted that he was having dinner and a friendly chat with Maj Mario (Denu) Moran, a high-ranking national guard officer. The person admitting this is Ricardo Perez Meza of the Salvadoran oligarchy.

REPORTAGE ON GUERRILLA, ARMY COMBAT ACTIONS

Clashes in Tepetitán

PA130240 San Salvador LA PRENSA GRAFICA in Spanish 5 Jun 81 pp 2, 40

[Text] Members of the civil defense of Tepetitán killed two terrorists who were stealing cattle near this village in San Vicente Department, a military source reported yesterday.

According to reports, a civil defense patrol ran into a group of extremists who were stealing cattle. There was a shootout that lasted approximately 1 hour and in which two extremists were killed and several members of the civil defense were wounded and had to be taken to the nearest health center to be treated as emergency cases. The two extremists did not have any identification papers and were buried near where they were killed. Authorities believe that perhaps there could be more wounded or dead among the extremists, considering the blood stains found.

The same source said the armed forces are relentlessly persecuting the extremists who are committing vandalism, robberies, assaults and demanding war taxes from honest citizens.

Attack on San Vicente

PA121452 San Salvador EL MUNDO in Spanish 10 Jun 81 p 1

[Excerpts] Yesterday evening extremists attacked various San Vicente City areas in reprisal for the search operation that the armed forces are carrying out on the slopes of the Chichontepec Volcano, according to information provided today by sources from the office of the commander of the 5th Infantry Brigade in San Vicente. The military spokesmen have also said that they have found evidence that the camps that were destroyed at the volcano were managed by foreign mercenaries. The attacks on the city of San Vicente, according to reports, took place between 2300 and 2400 hours. There were clashes in the El Santuario and San Juan de Dios neighborhoods, where the subversives attacked military posts.

Clash in Arcatao

PA121632 Panama City ACAN in Spanish 1845 GMT 11 Jun 81

[Text] San Salvador, 11 Jun (ACAN-EFE)--Eight persons were killed and several others were injured as the result of an armed clash between a group of leftists and Salvadoran Army patrols in Arcatao, Chalatenango Department, 112 km north of the capital.

According to the military reports released today in San Salvador, the clash occurred yesterday afternoon, when the rebels attacked the national guard's headquarters. In the ensuing shootout, two civilian patrolmen and at least six guerrillas were killed and several agents were injured.

Occupation of Arcatao Garrison

PA121710 Havana International Service in Spanish 1600 GMT 12 Jun 81

[Text] Guerrilla forces of the Farabundo Martí National Liberation Front occupied the military garrison of the town of Arcatao, in Chalatenango Department. Some 30 soldiers were killed in the action and the rebels appropriated a large quantity of weapons and ammunition.

It was also reported that several casualties were sustained by a national guard patrol ambushed by rebel cadres in San Salvador, while other guerrilla groups attacked the headquarters of one of the Salvadoran paramilitary organizations located in Mejicanos neighborhood in the capital.

It was also reported that fighting continues in the area around the Chichontepec Volcano where, for the past week, the Salvadoran Army has been trying unsuccessfully to dislodge the insurgents.

Meanwhile, Ed Broadbent, vice president of Socialist International, said that the continued provision by the United States of weapons and advisers to the genocidal regime of El Salvador is reducing the possibility of finding political solutions to the crisis prevailing in that Central American country.

Chichontepec Siege To Continue

PA121459 San Salvador LA PRENSA GRAFICA in Spanish 11 Jun 81 pp 3, 34

[Excerpt] The armed forces still maintain the siege on the Chichontepec Volcano and the "cleanup" operations continue. The day-before-yesterday and yesterday, the combined operations by military troops and security agents included the use of infantry troops, artillery forces and the air force.

For the past 2 nights there has been continuous artillery fire at intervals of 10, 20 and 30 minutes, time used by infantry troops to move around the slope to take up protected positions and to establish surveillance.

It is believed that this type of action will go on for many more days, according to military spokesmen, because this is not conventional warfare and the army must be cautious in establishing total control.

Military spokesmen said yesterday that the military troops have continued their operations in all the areas that have been searched in the slopes of the Chichontepec Volcano.

An officer has said that it is expected that in the next few days there will be more fighting and further seizures of arms, food, explosive materiel and so forth.

Military troops arrived in the area yesterday to relieve patrols carrying out cleanup operations, according to reports.

Several trucks bringing troops, food, medicine and ammunition moved through the slopes of the Chichontepec Volcano to reach the advance positions.

The trucks were also seen on their return carrying troops that participated for the past 8 days in the actions against the extremist groups that have been at the Chichontepec Volcano for the past 2 years.

The army is continuing its patrol of the rural areas around the towns of Verapaz, Tepetitán, Guadalupe, Jerusalén, San Cayetano, Istepeque, and Tecoluca, on the northern slopes of the Chichontepec Volcano, San Vicente Department. Military forces are also patrolling the rural areas of San Pedro Nonualco, San Juan Tepezontes, San Miguel Tepezontes and San Juan Nonualco in the southern region of Zacatecoluca Department [as published].

Terrorist Camps Destroyed

PA130106 San Salvador LA PRENSA GRAFICA in Spanish 12 Jun 81 pp 3, 23

[Text] A military source has reported that combined army and security forces yesterday destroyed three terrorist camps and two clandestine hospitals in the Chichontepec Volcano area.

According to the armed forces spokesman, the camps were in Los Alpes, Virginia, Los Laureles and were strategic sites. In the camps the authorities confiscated a large number of weapons and in the hospitals they found first-aid kits, medicine, surgical equipment and gauze.

The source said the whole area was mined with "Vietnamese" booby traps which consist of sharp sticks nailed to wood and concealed in the ground and trees. These sticks can pass through the body of anyone unfortunate enough to set them off.

It was also reported that when the cleanup operation ends, the armed forces will issue a list of tractors, trucks and pickups that were presumably stolen from their owners and were in the possession of the militants of the clandestine organizations. It was reported that in yesterday's actions the army sustained three casualties and that the number of dead and wounded inflicted on the subversive group has not been established.

Havana Report on Guerrillas

PA132352 Havana International Service in Spanish 1600 GMT 13 Jun 81

[Text] The Farabundo Marti National Liberation Front [FMLN] has reported that the offensive launched by the army in a wide area near Chichontepec Volcano is a complete failure. For over a week the FMLN's guerrilla forces kept hammering at the (?well-trained) government troops, who receive advice from U.S. experts.

The FMLN adds that the army sustained over 100 casualties during guerrilla actions in Cabanas and Chalatenango Departments. It adds that a U.S. adviser and two senior Salvadoran military officers died Monday when an infantry patrol tried to reach Arcatao, which is occupied by rebel forces.

For its part, the regime has admitted that the guerrillas in San Vicente have set up traps similar to those used by the Vietnamese fighters during the U.S. aggression. It noted that the traps include land mines, pointed sticks planted in the bottoms of wells and poles tied to tree branches which are set off by hidden wires. As a result, the troops have sustained heavy casualties and their advance has been considerably slowed.

Four Dead in Ambush

PA122355 Panama City ACAN in Spanish 1820 GMT 12 Jun 81

[Text] San Salvador, 12 Jun (ACAN-EFE)--A group of rebels today ambushed an army truck carrying a commander, soldiers and members of the Villa Dolores civil defense north of San Salvador, leaving four dead and several wounded. According to reports by military sources in Sensuntepeque, 80 km north of San Salvador, the leftists forced a group of women to stop the truck and then threw a bomb at it and shot at the eight passengers. The sources said the terrain helped the guerrillas to remain hidden and to carry out the attack in which three civilian patrolmen and one soldier were killed and the rest wounded.

The security members were traveling from Sensuntepeque to Villa Dolores when they were ambushed. Official sources also said that in San Marta and San Carlos Cantons, Villa Victoria, and Villa Dolores jurisdiction, Cabanas Department, the guerrillas are carrying out their actions with complete freedom due to the poor military patrol of the area, so much so that some of the guerrillas have taken over land the peasants have abandoned due to the current situation.

CEL Employees Attacked

PA141325 Panama City ACAN in Spanish 1853 GMT 13 Jun 81

[Text] San Salvador, 13 Jun (ACAN-EFE)--Three dead and several injured is the toll of two attacks carried out in the past few hours against vehicles carrying employees of the Lempa River Hydroelectric Executive Commission (CEL), in El Salvador.

According to official reports, one of the vehicles was attacked in Llano Largo Canton, Jutiapa, Cabanas Department, while heading for the Cinco de Noviembre Hydroelectric Dam. The vehicle was fired at from various points with weapons of various caliber, so presumably the attackers were leftists who operate in that area. According to the sources, three CEL employees were killed and five others were injured during the attack. Another vehicle carrying CEL employees was also attacked in another canton in Jutiapa. Several persons were injured.

In Texistepeque, north of San Salvador, guerrillas destroyed a CEL electrical tower, leaving several nearby towns in the dark.

GUATEMALADEPUTY MINISTER'S BROTHER, OTHERS FOUND DEAD

PA122338 Panama City ACAN in Spanish 1900 GMT 11 Jun 81

[Text] Guatemala City, 11 Jun (ACAN-EFE)--Jorge Isaac Sierra Coronado, brother of the deputy education minister, and Elcira Ramirez were found dead today in Guatemala City. Both had been kidnapped last Monday.

The two bodies were found close to their home this morning in the western sector of Guatemala City and were identified by relatives. Sierra Coronado was the brother of Deputy Education Minister Lisandro Sierra Coronado and worked as an accountant in the office of the comptroller general.

It is believed that the couple was poisoned, although this is being investigated by the police.

Meanwhile, police reported today that they are looking for engineer Luis Pellecer, kidnapped by armed men from his apartment in the Calderon Building in downtown Guatemala City. At the time of the kidnapping, his captors shot Pellecer's companion to death. The man carried double identity papers in the names of Aurelino Ferrari and Marcelino Mendizabal.

KIDNAPPING OF PRESIDENT'S NEPHEW BEING INVESTIGATED

PA121658 Guatemala City Radio Nuevo Mundo in Spanish 1200 GMT 12 Jun 81

[Text] The seventh criminal instruction court has ordered a thorough investigation into the case of Nery Edgar Lucas Crauc, nephew of President Gen Romeo Lucas Garcia. Lucas Crauc was kidnapped more than 1 week ago as he was leaving his home in the Venezuela neighborhood [word indistinct]. While the court ordered the investigation, more than 300 members of the detective corps are trying to find the kidnappers and Engineer Lucas. Military units are taking part in these operations. So far the results have been negative.

HONDURASFOREIGN MINISTER ON JOINT NATIONALITY, SUMMIT

PA121432 Tegucigalpa Domestic Service in Spanish 1130 GMT 12 Jun 81

[Text] The Honduran Foreign Secretariat has no knowledge of the Salvadoran Government's proposal for the establishment of a multiple nationality, Foreign Secretary Cesar Elvir Sierra said.

Several days ago the president of the Salvadoran revolutionary junta proposed that Salvadoran, Guatemalan and Honduran citizens all acquire the same nationality after complying with a few requirements.

Concerning a meeting of foreign ministers of the area prior to a chief of state summit of Central America, our country is prepared to attend, but we expect there to be a consensus from the other countries, the foreign secretary said.

BRIEFS

VISA BAN--The Foreign Affairs Ministry has suspended granting Honduran visas to persons of Cuban nationality currently residing in Cuba and has turned down all pending visa applications of Cuban citizens residing in Cuba. This resolution puts an end to the scandalous matter of the sale of visas to Cubans. [Tegucigalpa Radio America in Spanish 1145 GMT 11 Jun 81 PA]

NICARAGUAGOVERNMENT, OPPOSITION BEGIN FORUM IN MANAGUA

13 June Sessions

PA132055 [Editorial Report] Managua Radio Sandino in Spanish at 1510 GMT on 13 June begins carrying a live broadcast from the auditorium of the Planning Ministry in Managua, covering the first session of the forum for discussion of national problems being held between government and opposition political parties. After describing the physical layout of the auditorium, the Radio Sandino announcers note that technicians from the domestic service and the Sistema Sandinista Television Network, as well as other radio stations, are setting up their equipment, implying that the forum sessions will be covered individually instead of in a network.

After a 3-minute interview at 1519 with Ismael Reyes, who is attending the forum as an observer for the Higher Council of Private Enterprise [COSEP], and who expresses hopes for the success of the sessions, the announcer notes that "for this first meeting, the topic of which is to be the political area, the revolutionary parties have chosen Carlos Nunez to be their initial speaker. For subsequent discussions the following have been designated: Nathan Sevilla of the Sandinist Front; Gustavo Tablada of the Socialist Party; Alejandro Gutierrez of the People's Action Movement; Eli Altamirano of the Communist Party; Cesar Delgadillo of the People's Social Christian Party; and a delegate from the Independent Liberal Party." The announcer adds that "the parties of the other sector have chosen Alfonso Robelo, chairman of the Nicaraguan Democratic Movement, MDN, to deliver their initial presentation."

Radio Sandino temporarily returns to the studio and regular programming at 1526 GMT, stating that some of the principals, Robelo in particular, have not yet arrived.

Coverage of the forum resumes at 1546 GMT. The moderator Julian Corrales, deputy rector of the National Autonomous University of Nicaragua, outlines the procedures to be followed. At 1552 GMT Father Adan Delgado gives an invocation which is followed by the national anthem at 1554 GMT.

After urging participants to work toward points of agreement in order to achieve the most successful results, the moderator yields the floor to Robelo for "30 minutes."

During the foreign policy portion of Robelo's speech, Radio Sandino announcer Wilfredo Lopez Balladares interrupts for a few seconds, stating that along with two other Radio Sandino announcers, he has been listening to Robelo's speech and they have their own opinion regarding the points he has raised.

Robelo ends his speech at 1632 GMT and is followed by Carlos Nunez, who speaks from 1633 to 1639 GMT.

At approximately 1700 GMT the moderator announces a recess in order that the two sides may discuss the procedures to be followed in the upcoming debate. In the interim the announcers review and comment on the speeches and the procedures followed in the initial sessions. They note that a single microphone will be used throughout and commented that the order of speakers in the morning session had been determined by numbers which Robelo and Nunez had drawn at random. The announcers say that the forum will continue "this afternoon."

At 1800 GMT the announcers interview Nathan Sevilla of the Sandinist National Liberation Front, who describes the positions of the opposition as a "distortion" of the real Nicaraguan situation, but reemphasizes that the purpose of the forum is to search for national unity.

After the interview ends at 1802, and while waiting for the sessions to resume, the announcers note that the topics suggested by the revolutionary parties for debate include the nature of the Somozist and Sandinist regimes, the pluralism of the revolution, revolutionary versus reformist plans, democracy and the elections, relations between the state, the army and the people, self-determination of the people, causes of the economic crisis and of the people's harsh socioeconomic and political situation, political freedoms and national unity.

The announcers indicate that in addition to the progovernment representatives mentioned initially, the opposition parties are to be represented by Alfonso Robelo of the MDN, Ramiro Sacasa of the Constitutionalist Liberal Movement, Alvaro Jerez of the MDN, Donald Castillo of the Nicaraguan Workers Federation, CTN, Adan Fletes of the Social Christian Party, Jose Davila also of the Social Christian Party, and Guillermo Potoy of the Social Democratic Party.

Managua Radio Sandino in Spanish continues its live coverage of the Nicaraguan Forum on National Problems being held in Managua.

Just prior to the beginning of the forum's afternoon session the Sandino announcers remind the listeners who the speakers and participants are going to be. They repeat the names of Nathan Sevilla, Gustavo Tablada, Alejandro Gutierrez, Eli Altamirano, Cesar Delgadillo, Commander Nunez and the moderator as reported earlier at 1530 GMT. The announcers also mention the following as representatives to the forum's discussions: Cesar Aviles and Anibal Arana of the Nicaraguan Democratic Movement, Sergio Montealegre and Mario Oviedo of the Constitutionalist Liberal Movement and Eduardo Rivas Gasteazoro of the Social Christian Party. Alfonso Robelo is also taking part in this afternoon's session.

The session is similar to a debate, with each person taking normally only a few minutes to make his point before yielding the floor to another person. Fletes, Tablada, Castillo, Jerez, Nunez and the moderator discuss whether the issue of unity should be discussed first.

After discussing unity for 30 minutes, after which no decision is reached, there is a 3-minute break. An unidentified person then says that the participants will now discuss the speeches made at this morning's forum. There is then another break from 1856 GMT to 1914 GMT at which time an unidentified speaker says that the debate is ready to be resumed and that apparently an agreement has been reached on how to proceed. The moderator confirms that the forum will now move into a debate of this morning's speeches. The discussion, involving several participants, centers on Robelo's speech.

Commander Carlos Nunez answers Alfonso Robelo's questions about the Sandinists' plan for carrying through with the revolution and about the need for consultations and consensus. This is followed by a question on the country's new spiritual values and by discussions on religion and the concept of Somozism without Somoza.

After a somewhat lengthy exchange on the latter subject, nothing is settled on the concept of Somozism without Somoza and the moderator notes that time is almost up; however, the participants continue discussing the matter of unity, the concept of true democracy and the fight against Somoza. In conclusion Robelo says that the question is one of restoring credibility to the postrevolutionary process.

The participants take a break at 2038 GMT. At 2240 GMT moderator Julian Corrales briefly summarizes the first day's session and announces that on Sunday he will present the agenda agreed upon for future sessions. He announces that the national forum will continue on Sunday, beginning at 0900 Managua time.

The station then carries a summary by announcers of the day's developments at the forum and coverage ends at 2252 GMT.

14 June Dialogue

PA150332 Panama City ACAN in Spanish 2358 GMT 14 Jun 81

[Text] Managua, 14 Jun (ACAN-EFE)--Representatives of the Sandinist government and the opposition today concluded the second day of the recently begun stage of national dialogue without reaching an agreement on the definition of democracy in Nicaragua.

Differences abounded among the participants in this forum to discuss Nicaraguan problems, and this resulted in the first heated debates since the beginning of these discussions.

The forces of the revolution, headed by Commander Carlos Nunez, proposed a definition of democracy taking into account the present process which must meet the historical demands of the country's majority.

Another element, they added, is that instruments must exist so that this majority can defend the conquests carried out and that the state must use its influence to oppose those who are not in favor of the historical demands.

The sector that supports the revolution unconditionally also proposed that an awareness be created in Nicaragua concerning the distribution of wealth and the effort to stop the looting of the country's wealth which characterizes the current stage of national reconstruction after the victory against Somoza.

The opposition parties proposed a definition of democracy maintaining that the people must control their rulers through periodic consultations in a climate of social peace, security, and pluralism and by promoting the people's participation in the government.

The expressed intention of the revolutionary forces to not widen the discussion on the definition of democracy proposed by the revolutionary bloc of the plain [la llanura], resulted in a critical moment during the debates.

The situation got so tense that Julian Corrales, the moderator, proposed new alternatives and mechanisms to continue the discussion, including the possibility of creating mixed commissions from each delegation.

The topic of democracy was discussed within the subtopics in which the aspect of national unity was divided.

The democratic, popular and anti-imperialist nature of the Sandinist revolution had already been defined, but when they entered into the analysis of democracy the discussions went on and on until late in the afternoon.

In discussing the content of the two projects to define democracy, the two sides criticized one another harshly--something that had not happened in the 2 days of this debate.

In conclusion, it was decided that the two sides will draft tomorrow, Monday, two projects to define democracy taking into account the advances made this weekend in order to resume talks on Thursday for a final definition.

CST DEFINES STAND ON FORUM ON NATIONAL PROBLEMS

PA121956 Managua EL NUEVO DIARIO in Spanish 7 Jun 81 p 9

[Text] We have received the following document:

As the time for the beginning of the forum for the discussion of the national problems nears, and in its role as an organization that represents the interests of the Nicaraguan workers organized into revolutionary and classist unions that faithfully defend the revolution, the Sandinist Workers Federation (CST) wishes to express its view on this forum.

1. The discussion of the national problems must concentrate mainly on defending the interests of the people, especially the working masses. In this connection, it must commit all of the country's political forces, including the rightwing parties that have traditionally lived with their backs to the needs and sufferings of the laborers, peasants and workers in general.

2. In discussing the national problems, the forum must fall into step with the revolutionary process, which is profoundly popular and opposes the exploitation of many by man. This process is also unwavering in the face of threats, pressures, blackmail and aggressions from the Somozist and non-Somozist counterrevolutionaries who have no scruples in betraying the national interests and serving the criminal war plans of the most recalcitrant Yankee imperialist sectors.

3. We, the workers and peasants of Nicaragua, are willing to sacrifice anything, including our lives, in order to prevent a return to the past. If there is anything positive that we expect from this forum, it is a substantial change in the attitudes of the non-Sandinist parties and organizations, because until recently they had been showing their unconditional surrender to the dangerous destabilizing plans and armed aggression that imperialism concocts in its embassy here in Managua and through its links with parties and individuals who, perhaps due to a lack of maturity and responsibility, serve the most anti-national and inhuman interest--that represented by the ultramilitaristic gringos and their sinister terrorist networks in the CIA.

4. We, the workers, who constitute the immense majority of the people, feel that the forum will be a test of fire for all non-Sandinist parties, where they will be able to show to what extent they are in a position to act seriously and with a patriotic spirit or if, on the contrary, the only thing that interests them--as is often heard among our people--is obtaining concessions in order to try to curb the march of the Sandinist people's revolution.

We salute the 20th anniversary of the foundation of the Sandinist National Liberation Front.

We salute the second anniversary of the victory of the revolution!!!

[Signed] Lucio Jimenez Guzman,
Secretary general, CST.

COMMANDER WHELOCK ADDRESSES SUGAR MILL WORKERS

Accusations Against CIA

PA122004 Managua Radio Sandino in Spanish 1800 GMT 12 Jun 81

[Text] In speaking to the workers of the German Pomares sugar mill, Commander Jaime Wheelock, minister of agricultural development, mentioned the problem of the rice shortage. He said that rice production had been more than ample, yet there was a shortage.

Wheelock said that under Somozism a maximum of 43,000 manzanas had been planted with rice, while the revolutionary government reached 60,000. Yet, only 2 months after the rice was harvested, there was a shortage because, in the warehouses of the rich, there were quintals of rice and sugar, while our people did not even have 1 pound.

Minister Wheelock also said that rumors are started by members of the CIA in the U.S. Embassy who work with the Nicaraguan Workers Federation, CTN; the Social Christians and the Confederation for the Unity of Trade Unions, CUS; a movement that is directed by U.S. unions.

Here is what Wheelock said about the participation of those groups in spreading rumors:

[Begin recording] There are rumors which we know are being spread by imperialist sectors that are working here.

The people of the CIA are indeed working. They seek to turn the workers movement against the revolution. Individuals at the U.S. Embassy are working underground with the labor unions that are affiliated with the CTN. They are working together. They are personally directed by individuals at the U.S. Embassy here. [Words indistinct] of the work of the U.S. Embassy here with the CTN and with the CTN and with the CUS, which is a movement directed by the large labor unions of the United States--the AFL-CIO.

What do they do? They turn those labor movements against the revolution. In what way? You already know what they were doing at the Manuel Guerra sugar mill. [Words indistinct] they threw large stones. [Words indistinct]

And why this great interest in the working class? [Words indistinct] if production at Manuel Guerra had declined, there would have been a decline in prices in the (?markets) also. This would have brought unemployment to thousands of families and we would have lost [number indistinct] quintals. [passage indistinct].

What does the United States care about the working class? Did it not hurl atomic bombs on the people of Hiroshima and Nagasaki? It killed 400,000 persons. Did it not carry out an attack on Vietnam? It killed hundreds of thousands of Vietnamese. Did it not stage a military invasion of Nicaragua and kill thousands of Nicaraguans? How could it be interested now in supporting the revolution? To the contrary, it is determined to destroy the revolution. Secretary of State Alexander Haig, who directed the operations against Vietnam, has already said that the last chapter remains to be written in Nicaragua. This is true. The last chapters of this revolution remain to be written. We will see how we will respond to an armed invasion by the United States. We will respond with the weapons of the people, defending the revolution to the end. [end recording]

Attack on Proprietor Class

PA121850 Managua Radio Sandino in Spanish 1200 GMT 12 Jun 81

[Text] Yesterday some 600 workers from the German Pomares Ordonez sugar mill of Chinandega went to the Ministry of Agricultural Development and Agrarian reform to ask for fulfillment of a number of requests, some of which had been promised at the beginning of the sugar harvest, which ends today, with an information assembly.

Commander of the Revolution Jaime Wheelock Roman, Minister of Agricultural Development, for 2 hours explained to the workers why the requests could not be met. He blamed the capitalists who, sheltered under the revolutionary government's pluralism, receive money in dollars that they later circulate on the black market.

We are distributing money only to have it stolen, in order to maintain a pluralist system. Then, when you come, we have to tell you that there is no money. How charming, Commander Wheelock Roman said with great irritation.

The minister indicated that false expectations had been raised regarding economic reactivation, portraying a situation of normalcy that did not exist. It is all a lie, he said. While speaking of economic reactivation, we spent \$60 million for medicines and \$50 million for food. We are being undermined and it is time for us to practice self-criticism, said Wheelock, a member of the national directorate of the Sandinist National Liberation Front, FSLN.

On the debt incurred by our country in the interest of economic reactivation, Wheelock said that we already owe an additional \$400 million. He said that Commander Henry Ruiz, minister of planning, has reliable information that a large portion of those dollars has been sold on the black market.

Something has to be changed here, Minister Wheelock said firmly. Regarding businessmen who continue to proclaim their patriotism because they remained in Nicaragua, Wheelock said: It would seem that they remained to collect payment on something.

He noted, for example, that they asked for \$200,000 to purchase tractors abroad, then bought second-hand ones for \$50,000, pocketing the rest.

Wheelock made a strong statement regarding these clear acts of drain in capital and stealing from the state, thus injuring the interests of the masses, since the dollars are taken abroad or circulated in the country's black market.

[Begin recording] We must realize that the working class has understood that it is duty to give maximum support to production, the economy and the revolution. We have received unconditional revolutionary support from you. In contrast, the proprietary sectors, the wealthy have demanded a moratorium for them to pay their debts and we, in the interest of guaranteeing the national unity for which we overthrew the dictatorship, in the interest of making use of the ability and the experience of those people, have yielded to that demand. We gave them the foreign exchange, the working capital, recognizing their production costs. We did not argue with them too much.

What has their response been? The response has not been what the Nicaraguan people have been expecting. The smuggling of cattle, a slowdown in production, inefficiency in production, a drain of capital and, as always, a tune danced for their own personal benefit.

This is logical, but we are spending a large amount of foreign exchange, from the efforts of the workers, from our capital, from our resources, to allow them to produce. But they have not restricted themselves to producing; instead, they are taking the money abroad. They do not produce a lot and they take the foreign exchange abroad.

This means that the mixed economy system is not functioning properly, because of what is being done by the wealthy proprietors. There is going to have to be a communal reaction, by the honest, by those who support the revolution, so that production will increase and there will be an improvement of the conditions for the people's benefit.

If we are to have an economy that drains capital, that steals and in addition places the burden on the people, we prefer to completely do away with that type of economy [end recording]

Commander Wheelock talked to the workers of the German Pomares sugar mill through a megaphone, in front of the agricultural development installations located on the highway to Masaya. He told them that their claims were justified and that he agrees with their demand, but since the FSLN is not demagogic, it could not make promises that it would not fulfill.

In the case of the housing that had been promised them at the beginning of the harvest that ends today, Wheelock said the promise had been made on the basis of the \$75 million loan that the U.S. Government did not disburse entirely to our country.

In any case, he said, I have considered the list of requests including the supply of basic grain, the need for three buses for transportation to the mill and medicines, as a right earned by the workers who have understood that it is their duty to support the revolution by increasing production.

Regarding the wage increase, Commander Wheelock said clearly that if the sugar mill made a profit next year, after reaching the established goal of sugar production, all the profits would be turned over to the workers in the form of social benefits.

The sugar cane workers of Chinandega received Wheelock's words with loud applause and asked him to be present today at the information assembly marking the end of the harvest that will begin at 1400.

However, the real reason for the 600 workers' trip to Managua was to make themselves heard. They said clearly that the revolution belongs to the workers, because we are the nerve, the motor and the very reason for its development. Let's listen to what Commander Wheelock told the sugar workers from Chinandega:

[Begin recording] We have, therefore, listened to all your requests in an absolutely reflective mood. If the landowners and the cotton growers can come here and ask us to refinance their debt, how could we refuse to let the workers demand better living conditions? [applause] [shouts of "Free fatherland or death;" "fatherland or death, we shall triumph! German Pomares Ordonez!"] [End recording]

OFFICIALS REVEAL SERIOUS STAPLE SUPPLY PROBLEMS

PA140303 Paris AFP in Spanish 1215 GMT 13 Jun 81

[Text] Managua, 13 Jun (AFP)--Several high-ranking Nicaraguan Government officials admitted today during a debate at the State Council that the country is confronting serious problems regarding the supply of certain staple foods.

Domestic Trade Minister Dionisio Marengo disclosed that big efforts are being made to improve that situation and announced that 5,000 tons of Costa Rican rice will arrive today, at a time when the local grain reserves are being exhausted.

Marengo also warned that the cooking oil reserves will be exhausted next month due to the low production of cotton seed in 1980.

Addressing the State Council, which questioned him, Marengo explained that there are only two possible solutions to the supply problem: Either the products currently in short supply are imported or they are rationed through the use of a card.

As for rice, Marengo explained that it was being imported from Costa Rica, but warned that the state's resources to subsidize the daily diet of Nicaraguans are [word indistinct] government. It has been estimated that the state spends \$20 million a month to keep the prices of four or five staples accessible to most Nicaraguans.

According to Marengo, the reduction of coffee prices in the international market this week seriously affects Nicaragua's economic planning for 1981, since a revenue of \$120 per quintal of coffee had been estimated, but this revenue will amount to only \$100.

Nicaragua is currently negotiating a \$10 million credit to import 8,000 tons of cooking oil.

Marengo was strongly criticized by the vice president of the State Council, Commander Dora Maria Tellez for what she described as inefficiency in attending to essential agricultural production for the Nicaraguan people's consumption, including the delay in repairing the harvesters damaged during the war.

Nicaragua is also negotiating the purchase of several rice harvesters in the FRG.

For his part, Luis Sanchez, the other State Council vice president as well as president of the Socialist Party of Nicaragua, affirmed that Marengo's report "had plenty of statistics but contained no pragmatic solutions to the supply problem, which will be solved only through a drastic increase in agricultural production."

BRIEF

BRIDGE IN BLUEFIELDS--Construction of the "Heroes and Martyrs of the Atlantic Coast" Bridge in Bluefields has been completed at a cost of 1 million cordobas. The money was obtained through a loan from the Central American Bank for Economic Integration. The bridge, built for the use of both light and heavy vehicles, links the city with the local airport. [Managua Radio Sandino in Spanish 0300 GMT 12 Jun 81 PA]

PRESIDENT BURNHAM CONDEMNS ISRAELI BOMBING

FL120003 Bridgetown CANA in English 2323 GMT 11 Jun 81

[Text] Georgetown, Guyana, 11 Jun (CANA)--Guyana's President Forbes Burnham has strongly condemned last Sunday's Israeli bombing of a nuclear plant in Iraq and has supported a call for a meeting of the United Nations Security Council to deal with what he called this abominable act.

In a message to Iraqi President Saddam Husayn, Mr Burnham said the international community must respond immediately and condemn Israel and restrain her from taking such actions in the future.

All peace-loving peoples must view with outrage this presumptuous manifestation of arrogance and naked power, Mr Burnham declared and added, such action is a clear threat to international peace and security and a shameless violation of the sovereignty and territorial integrity of Iraq by the Zionist racist administration of Israel. It is akin to that of South Africa in relation to the frontline states.

VIOLATIONS BY VENEZUELAN AIR FORCE SCORED

PA141357 Paris AFP in Spanish 2241 GMT 13 Jun 81

[Excerpts] Georgetown, 13 Jun (AFP)--Guyana today officially revealed that Venezuelan military helicopters had again entered its territory, adding one more territorial violation to the repeated ones of the past 2 months.

Guyana Foreign Minister Rashleigh Jackson presented these accusations today at a news conference in Georgetown. He added that the corresponding diplomatic protest was handed to the Venezuelan representatives on 5 June.

Jackson said that "since 4 April, Venezuela has violated Guyanese territory on several occasions."

Foreign Minister Jackson also pointed out that his government told the U.S. Government of its special concern over the announced sale of U.S. F-16 planes to Venezuela.

The English-speaking diplomatic chief of this South American nation also mentioned the Venezuelan refusal to cooperate in financing an ambitious Guyanese hydroelectric project in the Essequibo region, which is precisely the area claimed by that Latin American nation.

Jackson accused Venezuela of conducting an aggressive diplomacy campaign against Guyana and of flagrant violations of international treaties which exist between the two neighboring nations.

Without giving any further details, the Guyanese foreign minister also pointed out that Venezuela has not only violated bilateral treaties concerning their mutual borders, but also had also violated the Port-of-Spain Protocol, placing the border problem on a new footing and trying to resurrect the Venezuelan demand over the Essequibo region.

Jackson also pointed out that the General Staff of the Guyanese Armed Forces is studying reports which say that the Venezuelan troops were put on a state of alert after the Guyanese announcement to proceed with military maneuvers was made.

In conclusion, Jackson pointed out that there are influential groups in Venezuela who publicly disapprove of the government's position in relation to their dispute with Guyana.